

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI**

In re:)	
)	
WAREHOUSE 86, LLC)	CASE NO. 08-03423-EE
)	Chapter 11
Debtor)	
)	

**THIRD APPLICATION OF
BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC
FOR ALLOWANCE OF ADMINISTRATIVE CLAIM FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR THE INTERIM PERIOD
NOVEMBER 1, 2009 THROUGH MARCH 31, 2010**

Butler, Snow, O'Mara, Stevens & Cannada, PLLC ("Butler Snow" or the "Applicant") files this Third Application for Approval and Allowance of Administrative Claim for Compensation and Reimbursement of Expenses seeking the allowance of compensation of \$31,914.00 and reimbursement of expenses of \$2,365.92 for the period of November 1, 2009 through March 31, 2010 ("Third Fee Period") for a total of \$34,279.92 for its services as attorney for Warehouse 86, LLC (the "Debtor"), and presents to the Court the following:

1. On November 4, 2008 (the "Petition Date"), Warehouse 86, LLC filed its voluntary petition under Chapter 11 of the United States Bankruptcy Code. The Debtor continues to manage its assets as debtor in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.
2. An official committee of unsecured creditors (the "Committee") was appointed by the United States Trustee on November 19, 2008 [Dkt. # 62]. No request for appointment of a trustee or examiner has been made herein.
3. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334; 11 U.S.C. §§ 327, 330 and 331; Rule 2016 of the Federal Rules of Bankruptcy Procedure (the

“Bankruptcy Rules”); and the Retention Orders (as defined below). Venue of these cases is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b)(2)(A).

4. By orders of the Court dated November 7, 2008 [Dkt. # 28] and April 15, 2009 [Dkt. # 124], the Debtor was authorized to employ and retain Butler Snow as its bankruptcy counsel to prosecute this Chapter 11 case and all related matters and to render the legal services necessary to the Debtor during its Chapter 11 case, as more fully described in that Order (the “Retention Orders”).

5. Butler Snow does not hold or represent any interest adverse to the Debtor's estate, and is a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code, as disclosed in the Affidavit of Stephen W. Rosenblatt which is an exhibit to the *Application to Employ Butler Snow as Bankruptcy Counsel* [Dkt. #008]. Butler Snow also disclosed its connections to various parties-in-interest that it has been able to ascertain using reasonable efforts.

6. The Retention Orders authorizes the Debtor to compensate Butler Snow at its regular hourly rates charged for services of this type (subject to the hourly rate limitations stated in the Retention Orders) and to reimburse Butler Snow for actual and necessary out-of-pocket expenses that it incurs, subject to application to this Court in accordance with the Bankruptcy Code, the Bankruptcy Rules, and all orders of this Court.

7. The services rendered by Butler Snow as bankruptcy counsel for the Debtor and its bankruptcy estate and the expenses incurred by Butler Snow has benefited the bankruptcy estate. The Affidavit of Stephen W. Rosenblatt addresses the legal services rendered and expenses incurred by Butler Snow is attached as Exhibit “A.” The Affidavit reflects that the services rendered to the Debtor were reasonable and necessary and that these services actually have been rendered. A

detailed itemization of the services rendered by Butler Snow and the expenses incurred by Butler Snow is attached as Exhibit "B."

8. The fees charged and expenses incurred by Butler Snow represent reasonable and necessary fees and expenses that were required to be extended by counsel to the Debtor in all matters which arise in handling bankruptcy case administration and litigation, and which were necessary to protect and preserve all rights of the Debtor and the interests of creditors in furtherance of counsel's obligation herein. Such fees and expenses have served to enhance the value of the property of the estate.

9. In accordance with the factors enumerated in 11 U.S.C. § 330, the amount of fees requested for Butler Snow is fair and reasonable in light of: (a) the complexity of this case; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services and (e) the costs of comparable services other than in a case under the Bankruptcy Code.

10. In accordance with Bankruptcy Rule 2016(b), Butler Snow has neither shared, nor agreed to share, (a) any compensation it has received or may receive with another party or person other than as permitted by section 504(b) of the Bankruptcy Code, or (b) any compensation another person or party has received or may receive in connection with these cases.

11. In its First Application [Dkt. #164], Butler Snow sought the allowance of compensation for professional services rendered in this proceeding for the total amount of \$93,590.87, of which \$89,198.50 was for fees for services rendered and \$4,392.37 is for expenses incurred the period of November 4, 2008 through June 30, 2009. By its Order dated August 12, 2009 [Dkt. #172], the Court approved an award to Butler Snow of \$88,764.00 (\$89,198.50 less \$434.50 for a paralegal rate holdback reserve) for allowed fees for services rendered as counsel to the Debtor, plus expenses of \$4,392.37 for expenses incurred as counsel to the Debtor, for a total of \$93,156.37.

12. In its Second Application [Dkt. #198], Butler Snow sought the allowance of compensation for professional services rendered in this proceeding for fees of \$30,237.00 (\$30,292.00 less \$55.00 for a paralegal rate holdback reserve) and \$5,915.34 for expenses incurred the period of July 1, 2009 through October 31, 2009 for a total of \$36,152.34. By its Order dated December 22, 2009 [Dkt. #211], the Court approved an award to Butler Snow of \$30,237.00 (\$30,292.00 less \$55.00 for a paralegal rate holdback reserve) for allowed fees for services rendered as counsel to the Debtor, plus expenses of \$5,915.34 for expenses incurred as counsel to the Debtor, for a total of \$36,152.34.

13. This is the third request by the Debtor for allowance of compensation for professional services rendered in this proceeding by Butler Snow. This request covers the Third Fee Period and seeks the allowance of compensation of \$31,914.00 and reimbursement of expenses of \$2,365.92, for a total amount requested of \$34,279.92

WHEREFORE, Butler Snow prays that it be granted allowed administrative expenses claim for the: (i) reasonable and necessary professional services Butler Snow has rendered to the Debtor during the Third Fee Period of \$31,914.00 and (ii) reimbursement of actual and necessary costs and expenses incurred by Butler Snow during the Third Fee Period of \$2,365.92, for a total amount requested by Butler Snow of \$34,279.92

THIS, the 21st day of April, 2010.

Respectfully submitted,

WAREHOUSE 86, LLC

By: s/Stephen W. Rosenblatt
Stephen W. Rosenblatt
One of Its Attorneys

OF COUNSEL:

Stephen W. Rosenblatt; MB No. 5676
Paul M. Ellis; MB No. 102259
BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC
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Telephone: (601) 948-5711
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steve.rosenblatt@butlersnow.com
paul.ellis@butlersnow.com

CERTIFICATE OF SERVICE

I, Stephen W. Rosenblatt, certify that I have this date caused to be served, via electronic filing transmission or United States mail, postage prepaid, a true and correct copy of the above and foregoing to the following:

Ronald McAlpin, Esq.
Office of the United States Trustee
Suite 706, A. H. McCoy Federal Building
100 West Capitol Street
Jackson, MS 39269

Ms. Teresa M Shipe
Katt Worldwide Logistics, Inc.
4105 So. Mendenhall Road
Memphis, TN 38115
tshipe@kattworld.com

Edwin W. Christensen, Esq.
Overstock.com, Inc.
6350 S. 3000 E.
Salt Lake City, Utah 54212
echristensen@overstock.com

Mr. Bobby Thomas
Thomas Sales & Services, Inc.
2300 Sitler St., Bldg. 685
Memphis, TN 38114
bthomas@abcthomas.com

THIS, the 21st day of April, 2010.

s/ Stephen W. Rosenblatt
Stephen W. Rosenblatt

Jackson 5026175v1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

In re:

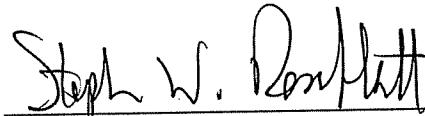
WAREHOUSE 86, LLC

Debtor

)
CASE NO. 08-03423-EE
Chapter 11

AFFIDAVIT

PERSONALLY APPEARED BEFORE ME, the undersigned authority, in and for the jurisdiction aforesaid, Stephen W. Rosenblatt (the "Affiant"), attorney for the Debtor, who after having been first by me duly sworn, states on oath that this Affidavit is submitted in support of Butler, Snow, O'Mara, Stevens & Cannada, PLLC's Third Application for Allowance of Compensation and Reimbursement of Necessary Expenses (the "Application") and that the statements which are attached to the Application as Exhibit "B" represent a detailed statement of its reasonable fees and expenses.



STEPHEN W. ROSENBLATT

STATE OF MISSISSIPPI
COUNTY OF MADISON

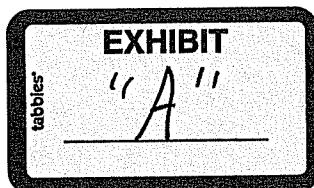
SWORN TO AND SUBSCRIBED BEFORE ME, this 21st day of April, 2010.



NOTARY PUBLIC

My Commission Expires: July 29, 2012

Jackson 5071489v1



BUTLER | SNOW
 BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC

Post Office Box 6010
 Ridgeland, MS 39158-6010
 (601) 948-5711
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Mr. Ernest K. Strahan III
 Warehouse 86, LLC
 P. O. Box 17361
 Memphis, TN 38187

April 20, 2010
 Statement: 368308
 Matter ID: 027821.66957
 Billing Attorney:
 Stephen W. Rosenblatt
 Due Date: May 5, 2010

STATEMENT SUMMARY

For Services Rendered Through March 31, 2010

Client: Warehouse 86, LLC
 Matter: Chapter 11 Bankruptcy

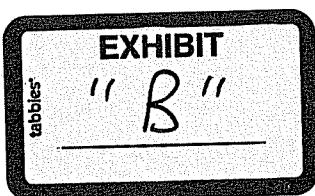
TOTAL FEES FOR CURRENT BILLING PERIOD	\$31,914.00
TOTAL COSTS FOR CURRENT BILLING PERIOD	\$2,365.92
TOTAL CURRENT BILLING FOR THIS MATTER	\$34,279.92
Total Of Unpaid Balances From Prior Statements*	0.00
TOTAL AMOUNT DUE FOR THIS MATTER	<u>34,279.92</u>

NOTE: *Payments received since the last statement and applied to prior statements - \$36,152.34*

AGING OF ACCOUNTS RECEIVABLE

<u>CURRENT</u>	<u>31-60 DAYS</u>	<u>61-90 DAYS</u>	<u>91-120 DAYS</u>	<u>OVER 120 DAYS</u>
34,279.92	0.00	0.00	0.00	0.00

*UNPAID BALANCES FROM PRIOR STATEMENTS





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Warehouse 86, LLC
P. O. Box 17361
Memphis, TN 38187

April 20, 2010
Statement: 368308
Matter: 027821.66957
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Stephen W. Rosenblatt
Due Date: May 5, 2010

STATEMENT

For Services Rendered Through March 31, 2010

Client: Warehouse 86, LLC
Matter: Chapter 11 Bankruptcy

PROFESSIONAL FEES

<u>DATE</u>		<u>DESCRIPTION</u>	<u>HOURS</u>	<u>AMOUNT</u>
11/2/2009	SWR	Correspondence with Paul Calhoun and Ernie Strahan regarding accounting fees (.2); briefly review complaint filed by SCK (.2).	0.40	120.00
11/5/2009	SWR	Correspondence with Eric Eilertsen regarding status of claim (.1); work on affidavit for Ernie Strahan for Arizona litigation (.3); correspondence with Alisa Wigley-DeLara regarding same (.2);.	0.60	180.00
11/6/2009	SWR	Correspondence with Alisa Wigley-DeLara regarding affidavit (.2); work on affidavit (.2).	0.40	120.00
11/9/2009	SWR	Correspondence with Bob Frey regarding insurance dispute litigation (.2); telephone conference with Ernie Strahan regarding status report (.2); correspondence with Ernie Strahan regarding Carillo litigation (.1).	0.50	150.00
11/10/2009	RMF	Review complaint for declaratory judgment (.3).	0.30	81.00
11/10/2009	SWR	Telephone conference and correspondence with Bob Frey regarding insurance dispute with SCK (.3); correspondence with Ernie Strahan regarding Keith Mack litigation (.2); correspondence with Ernie Strahan regarding service of Complaint by SCK (.2).	0.70	210.00
11/12/2009	SWR	Correspondence with Bob Frey, Jim Galloway and Paul Ellis regarding litigation with SCK (.2).	0.20	60.00
11/18/2009	PME	Conference w/ S. Rosenblatt and B. Frey re: strategy for responding to Complaint filed by SCK and Radio Shack (.7).	0.70	112.00
11/18/2009	RMF	Begin work on enforcing Warehouse 86's claim to insurance proceeds (1.0).	1.00	270.00

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 BUTLER, SNOW, O'MARA, STEVENS & CANNADA, PLLC

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11/18/2009	JBG	Meeting with S Rosenblatt e-mail to al to discuss the response to the SCK complaint for declaratory judgment, and to bring Bob Frey up to speed on the case (1.0).	1.00	280.00
11/18/2009	JBN	Research related to claim of right doctrine an its applicability to insurance proceeds received (1.7).	1.70	272.00
11/18/2009	SWR	Conference with Jim Galloway, Bob Frey and Paul Ellis regarding review background facts to respond to SCK Complaint and discuss course of action (1.5); work on fee application for Butler Snow (.6); correspondence with Jim Jones regarding W-9 from Warehouse 86 for insurance proceeds (.1); correspondence with Ernie Strahan regarding same (.2); correspondence with Jack Nichols regarding same (.2).	2.60	780.00
11/19/2009	JBN	Continue research on claim of right doctrine (1.4).	1.40	224.00
11/19/2009	SWR	Work on fee application for Butler Snow and Haddox Reid (.6); correspondence with Paul Calhoun regarding scope of invoice and revised invoice (.3); correspondence with Ernie Strahan regarding dispute with SCK (.2).	1.10	330.00
11/20/2009	SWR	Correspondence and conference with Jack Nichols regarding W-9 form for insurance proceeds (.3).	0.30	90.00
11/23/2009	JBG	Review the policy and the claims summary to determine whether the correct amount of payment was made by EMC for the business income and extra expense loss (1.1); various e-mails to S. Rosenblatt to confirm the correct payment was made (.2).	1.30	364.00
11/23/2009	SWR	Correspondence with Lisa McDaniel regarding October monthly operating report and review same (.2); correspondence with Ernie Strahan and Lisa McDaniel regarding professional fees (.2); correspondence with Ernie Strahan regarding breakdown of insurance check (.2); correspondence with Paul Calhoun regarding affidavit (.2); correspondence and telephone conference with Jim Galloway regarding same (.2); correspondence with Richard Booker regarding same (.2).	1.20	360.00
11/24/2009	RMF	Telephone conference with M. Wilson (.3); begin drafting answer to declaratory judgment complaint filed by Radioshack (.9).	1.20	324.00
11/24/2009	JBG	Various e-mails to and from Rosenblatt and Frey about the insured losses (.3).	0.30	84.00
11/24/2009	SWR	Correspondence with Lisa McDaniel regarding revised monthly operating report for October (.2); telephone conference with Paul Calhoun regarding fee application (.2); review and file monthly operating report for October (.2); finalize and file fee applications for Butler Snow and Haddox Reid (.3); prepare and serve notice of fee	1.90	570.00



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applications (.2); correspondence with Richard Booker regarding statement of losses for tornado and fire (.4); correspondence with Bob Frey regarding response to complaint (.1); correspondence with Bob Frey and Jim Galloway regarding statement of loss (.3).

11/25/2009	RMF	Work on answer to SCK's complaint for declaratory judgment (2.8).	2.80	756.00
11/25/2009	SWR	Telephone conference with Ernie Strahan regarding SCK litigation and compromise of insurance claim (.4); correspondence with Bob Frey regarding draft answer (.1); correspondence with Jim Galloway regarding statement of loss (.2).	0.70	210.00
11/28/2009	SWR	Finalize motion to approve compromise and settlement with EMC (.8); work on answer and defenses to Complaint (.6); correspondence with Bob Frey regarding same (.2).	1.60	480.00
12/1/2009	RMF	Review the two cases cited by SKC in their complaint for declaratory judgment; short email report to SWR re: same (.6).	0.60	162.00
12/1/2009	SWR	Correspondence and telephone conference with Bob Frey regarding response to SCK Complaint (.5); work on answer and defenses to Complaint for declaratory judgment action (.9); telephone conference with Marcus Wilson regarding bankruptcy issues related to disclosure statement hearing (.2); attend preliminary hearing on disclosure statement (.9); correspondence with Ron McAlpin regarding status report (.2); correspondence with Bob Frey, Jim Galloway and Paul Ellis regarding approach to lawsuit (.2); prepare order holding matters in abeyance (.5); correspondence with Marcus Wilson regarding same (.3); correspondence with Marcus Wilson regarding disclosure statement revisions (.2).	3.90	1,170.00
12/2/2009	SWR	Correspondence with Ron McAlpin regarding resolution of fee application issue (.1); work on order holding matters in abeyance (.2); correspondence with Marcus Wilson regarding same (.1); correspondence with Jim Jones at EMC regarding W-9 form for check (.2); correspondence with Bob Frey and Jim Galloway regarding scheduling order (.1); finalize and file motion to approve settlement and compromise with EMC (.9).	1.60	480.00
12/3/2009	SWR	Correspondence with Eric Eilertson regarding status of insurance claim (.2); correspondence with Marcus Wilson regarding changes to proposed order (.2); correspondence with Onida Huhn regarding same (.2); finalize and file order (.1).	0.70	210.00
12/4/2009	JBN	Analysis for, and conference call with Paul Calhoun to discuss W9 and future filing requirements (.5).	0.50	80.00



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12/4/2009	SWR	Correspondence with Jim Jones regarding W-9 form (.1); correspondence with Jack Nichols regarding same (.1); correspondence with Alisa Wigley-DeLara regarding affidavit (.1).	0.30	90.00
12/7/2009	SWR	Correspondence with Bob Frey regarding revised scheduling order (.1); correspondence with Ernie Strahan regarding order holding matters in abeyance (.2); correspondence with Ernie Strahan regarding storage of records (.2).	0.50	150.00
12/8/2009	SWR	Correspondence with Alisa Wigley-DeLara regarding affidavit (.1); correspondence with Lisa McDaniel regarding October monthly operating report (.2).	0.30	90.00
12/15/2009	SWR	Correspondence with Paul Calhoun regarding status of claim allowance (.1).	0.10	30.00
12/16/2009	SWR	Finalize changes to affidavit of Ernie Strahan (.3); correspondence with Ernie Strahan regarding same (.2); correspondence with Alisa Wigley-DeLara regarding same (.2).	0.70	210.00
12/17/2009	SWR	Correspondence with Ernie Strahan and Alisa Wigley-DeLara regarding affidavit (.3).	0.30	90.00
12/18/2009	SWR	Finalize and file orders approving fee applications of Butler Snow and Haddox Reid (.5); correspondence with Paul Calhoun and Ernie Strahan regarding same (.1).	0.60	180.00
12/22/2009	SWR	Correspondence with Lisa McDaniel and Ernie Strahan regarding approval of fee applications and monthly operating reports for October and November 2009 (.3); correspondence with Paul Calhoun regarding order approving fees for Haddox Reid (.1); review response of SCK to motion to compromise and settle with EMC (.2); review answer of SCK to counterclaim of Debtor (.2); correspondence with John McWilliams regarding transfer of property of W86 Property Holdings, LLC (.3).	1.10	330.00
12/28/2009	SWR	Review response of SCK to motion to compromise and settle with EMC (.2); review answer of SCK to counterclaim of Debtor (.2).	0.40	120.00
12/30/2009	SWR	Correspondence with Bob Frey and Jim Galloway regarding answer to counterclaim and motion to compromise (.2); correspondence with Marcus Wilson regarding language in order approving motion to compromise (.3); telephone conference with Ernie Strahan regarding same (.2).	0.70	210.00
1/4/2010	SWR	Correspondence with Alisa Wigley-DeLara regarding affidavit of Ernie Strahan (.2); correspondence with Teresa Shipe regarding notice of hearing on objection of SCK to motion to settle insurance claim (.2).	0.40	120.00



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1/5/2010	RMF	Participate in strategy meeting (.5).	0.50	135.00
1/5/2010	SWR	Correspondence with Marcus Wilson regarding response to proposed agreed order to settle insurance dispute (.2); conference with Jim Galloway and Bob Frey regarding status of litigation with SCK and course of action (.5).	0.70	210.00
1/6/2010	SWR	Review recent monthly operating report and correspondence with Onida Huhn regarding filing same (.2); correspondence with Jim Galloway and Bob Frey regarding same (.1).	0.30	90.00
1/11/2010	RMF	Work on responding to document request from SCK (1.2).	1.20	324.00
1/11/2010	SWR	Conference with Bob Frey regarding conference call with Ernie Strahan regarding production of documents to Marcus Wilson (.3); conference call Ernie Strahan regarding same (.5); correspondence with Ernie Strahan regarding documents requested by SCK (.7); review documents (.9).	2.40	720.00
1/12/2010	SWR	Correspondence and telephone conference with Ernie Strahan regarding documents (.4); correspondence with unsecured creditors' committee regarding alternative fee proposal (.4); review CD's from Ernie Strahan and conference with Breisch Stallings regarding duplication of same (.3).	1.10	330.00
1/13/2010	SWR	Correspondence with Eddie Christensen regarding conference call to discuss SCK litigation (.2); correspondence and conference with Bob Frey regarding same (.2); correspondence with Ernie Strahan regarding allocation of insurance proceeds (.2); correspondence with Ernie Strahan regarding December monthly operating report (.2).	0.80	240.00
1/14/2010	SWR	Correspondence with Ernie Strahan regarding requested information (.1).	0.10	30.00
1/15/2010	SWR	Correspondence with Bob Frey regarding responding to Eddie Christiansen's request for information (.2).	0.20	60.00
1/18/2010	SWR	Correspondence with Marcus Wilson regarding production of documents and continuation of pretrial hearing (.2).	0.20	60.00
1/19/2010	SWR	Telephone call to and correspondence with Marcus Wilson regarding continuation of hearing (.1); review order continuing hearing (.1); correspondence with Bob Frey and Ernie Strahan regarding same (.1); review and file monthly operating report for December 2009 (.2); correspondence with Bob Frey regarding information needed for conference call with Eddie Christensen (.1).	0.60	180.00
1/20/2010	SWR	Review order resetting preliminary hearing on motion to settle with EMC (.1); correspondence with Bob Frey	0.40	120.00



Warehouse 86, LLC
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regarding required contingency fee information (.3).

1/22/2010	RMF	Work on analysis of SCK's claims (3.2).	3.20	864.00
1/22/2010	SWR	Correspondence and telephone conference with Bob Frey regarding production of documents to SCK (.4); correspondence with Marcus Wilson regarding same (.2).	0.60	180.00
1/25/2010	RMF	Work on responding to SCK's request for documents (1.6).	1.60	432.00
1/25/2010	SWR	Correspondence and telephone conference with Bob Frey regarding production of documents (.4); correspondence with Marcus Wilson regarding same (.3); correspondence with Ernie Strahan regarding franchise tax returns for subsidiaries (.1).	0.80	240.00
1/26/2010	SWR	Correspondence and conference with Bob Frey regarding production of documents (.3); review same (.6); correspondence with Marcus Wilson regarding production of documents - MJC loss analysis of inventory and equipment loss and statements of loss (.4); correspondence with Marcus Wilson regarding request for past or pending claims against EMC and proof of losses (.3); correspondence with Ernie Strahan regarding same (.2); attend pretrial conference on objection of SCK to settlement motion (.9); correspondence with Bob Frey regarding email to Marcus Wilson (.2).	2.90	870.00
1/27/2010	RMF	Continue work on responding to SCK's document request in a way that does not expose Warehouse 86 to unnecessary expense, and prevents production of irrelevant and/or privileged matter; draft proposed reply to M. Wilson's renewed demand (.8).	0.80	216.00
1/27/2010	SWR	Correspondence with Bob Frey and Marcus Wilson regarding production of documents (.2); prepare order granting motion to settle with EMC (.6); correspondence with Marcus Wilson regarding same (.4); correspondence with Ernie Strahan regarding production of documents (.2); correspondence with Bob Frey regarding proposed response to Marcus Wilson (.1).	1.50	450.00
1/29/2010	RMF	Work on analysis of SCK's position (.5).	0.50	135.00
1/29/2010	SWR	Correspondence with Marcus Wilson regarding proposed changes to order approving settlement with EMC (.3); work on additional changes to order (.3); conference with Bob Frey regarding same (.2); correspondence with Judge Ellington regarding submission of order (.2); conference with Bob Frey regarding responses to allegations of SCK (.5); telephone conference with Ernie Strahan regarding order settling with EMC (.3); correspondence with Bob Frey regarding response to Marcus Wilson regarding	2.10	630.00



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discovery (.3).

2/1/2010	SWR	Correspondence with Ernie Strahan and Paul Calhoun regarding 1099 from EMC for payment of business interruption insurance (.2); correspondence with Ernie Strahan and Paul Calhoun regarding franchise tax for C86 (.1).	0.30	90.00
2/2/2010	SWR	Telephone conference with clerk's office regarding need for agreed order (.1); revise order (.2); correspondence with Marcus Wilson regarding same (.2); correspondence with Ernie Strahan regarding franchise tax returns (.1); correspondence with Marcus Wilson's office regarding service of discovery on debtor (.2).	0.80	240.00
2/3/2010	SWR	Resubmission of agreed order to Judge Ellington (.1); correspondence with Bob Frey regarding discovery propounded by SCK on debtor (.1).	0.20	60.00
2/4/2010	SWR	Correspondence with Bob Frey and Ernie Strahan regarding order approving settlement with EMC (.1); correspondence with Jim Jones of EMC regarding same (.1); correspondence with Marcus Wilson regarding service of subpoenas on third parties (.1); correspondence with Bob Frey regarding same (.1).	0.40	120.00
2/5/2010	SWR	Review notice of service of discovery filed by SCK (.1); correspondence with Bob Frey regarding same (.1).	0.20	60.00
2/8/2010	SWR	Telephone conference and correspondence with Ernie Strahan regarding subpoenas, discovery and course of action (.3); work on preliminary claims analysis (.3); correspondence with Bob Frey and Marcus Wilson regarding discovery (.3).	0.90	270.00
2/9/2010	SWR	Review claims analysis and correspondence with Eddie Christensen regarding same (.3); review December monthly operating report and correspondence with Eddie Christensen regarding cash position of debtor (.3).	0.60	180.00
2/11/2010	SWR	Correspondence with Eddie Christensen regarding claims analysis (.1); update same (.1); correspondence with Ernie Strahan regarding same (.2); make additional changes to chart (.1); correspondence with Eddie Christensen regarding same (.1).	0.60	180.00
2/12/2010	RMF	Search for "as interests may appear" cases & begin to analyze same (1.7).	1.70	459.00
2/12/2010	SWR	Correspondence with Ernie Strahan regarding estimated claims (.3); revise chart of claims (.3); correspondence with Eddie Christensen regarding same (.1).	0.70	210.00
2/15/2010	RMF	Work on motion for partial summary judgment (2.7).	2.70	729.00



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2/15/2010	SWR	Correspondence with Bob Frey regarding discovery on SCK (.1).	0.10	30.00
3/2/2010	SWR	Review objection of IDI to subpoena (.1); correspondence and telephone conference with Bob Frey regarding objection to subpoena by Industrial Developments International (.2).	0.30	90.00
3/3/2010	SWR	Correspondence with Ernie Strahan regarding bank accounts (.2).	0.20	60.00
3/4/2010	SWR	Review notice of hearing on objection to subpoena (.1).	0.10	30.00
3/5/2010	RMF	Work on responses to discovery served by SCK, and on motion for partial summary judgment (4.8).	4.80	1,296.00
3/5/2010	SWR	Correspondence with Bob Frey and others regarding discovery (.2).	0.20	60.00
3/8/2010	RMF	Work on motion for partial summary judgment (4.8).	4.80	1,296.00
3/8/2010	SWR	Correspondence with Bob Frey regarding motion for summary judgment (.2); work on same (1.9); review notice of hearing on objections to subpoena (.1).	2.20	660.00
3/9/2010	RMF	Work on responses to discovery served by SCK (3.8).	3.80	1,026.00
3/9/2010	SWR	Correspondence with Bob Frey, Kelley Connolly and Andrew Wilson regarding production of documents subpoenaed by SCK and RadioShack (.2); conference with Bob Frey regarding same (.2); review and revise answers to interrogatories (.9); conference with Bob Frey regarding same (.3); review and work on response to request for production of documents (.6); correspondence with Bob Frey regarding covering hearing on objections to subpoena by SCK to initial debtor interview (Tokyo Marine) (.2).	2.40	720.00
3/10/2010	RMF	Finalize and file discovery responses; begin drafting discovery to serve on SCK and Radio Shack (2.1).	2.10	567.00
3/10/2010	SWR	Conference with Bob Frey regarding responses to request for production of documents and answers to interrogatories (.8); review documents regarding same (.5); correspondence with Bob Frey regarding additional documents, answers and defenses (.3); correspondence with Bob Frey regarding lease termination letter from RadioShack (.2); correspondence with Bob Frey regarding provision of sublease (.2); correspondence with Bob Frey regarding option to purchase conveyor and racking equipment (.2); correspondence with Bob Frey regarding betterments (.2); correspondence with Onida Huhn regarding \$10K check for property and effects of others (.2); correspondence with Lisa McDaniel regarding January and February monthly operating reports (.2);	3.20	960.00



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review draft of motion for partial summary judgment (.4).

3/11/2010	SWR	Correspondence with Bob Frey regarding Warehouse 86 documents (.2); review joinder of Tokio Marine and Nichido Fire Ins. Co., Ltd. in IDI's limited objection to SCK, Inc. and RadioShack Corporation's subpoena for third party documents (.2); correspondence and telephone conference with Ernie Strahan regarding CMS Data Match form (.4); work on revisions to motion for partial summary judgment (2.1); correspondence with Bob Frey regarding same and addition of another subsection (.2).	3.10	930.00
3/12/2010	SWR	Correspondence with Bob Frey regarding motion for partial summary judgment (.4); work on motion for partial summary judgment and calculation of items not subject to SCK's claim (1.9); letter to CMS regarding response to questionnaire (.2); correspondence with Ernie Strahan regarding allocation of losses on statements of loss (.3); review response of Marchetti, Roberson & Brickell Ins. agency to SCK subpoena (.4); correspondence with Ernie Strahan regarding response of Marchetti, Roberson & Brickell to SCK subpoena (.2); correspondence with Ernie Strahan regarding draft of motion for partial summary judgment to review (.2).	3.60	1,080.00
3/15/2010	SWR	Work on and finalize motion for partial summary judgment (1.3); correspondence with Marcus Wilson regarding same (.3); correspondence with Ernie Strahan regarding same (.1); correspondence with Eddie Christensen regarding same (.2); telephone conference with Trey Manhein and Trey Dillinger regarding joinder by Tokio Marine and Nichido Fire Insurance Company in objection of IDI and background facts (.6).	2.50	750.00
3/16/2010	SWR	Review response of SCK to objections of IDI and Tokio Marine and Nichido Fire Insurance Company (.2); attend hearing on objections (1.3); review notice regarding motion for partial summary judgment (.2); correspondence with Bob Frey regarding same (.1); telephone conference with Trey Dillinger regarding same (.3).	2.10	630.00
3/18/2010	SWR	Correspondence with Eric Eilertsen regarding status of insurance check for personal property and effects of others (.2); correspondence with Ernie Strahan regarding same (.3); review and diary deadlines in amended scheduling order (.2).	0.70	210.00
3/19/2010	SWR	Work on citations for undisputed facts in motion for partial summary judgment (1.5); correspondence with Bob Frey regarding same (.2).	1.70	510.00
3/22/2010	RMF	Work on amended motion for partial summary judgment and supporting brief (1.8).	1.80	486.00



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3/22/2010	SWR	Telephone conference with Ernie Strahan regarding check for personal effects and property of others and other matters (.3); correspondence with Bob Frey regarding claim of SCK and documents produced pursuant to subpoena of Marchetti Brickell (.2).	0.50	150.00
3/23/2010	SWR	Correspondence with Bob Frey regarding motion for partial summary judgment and affidavit from Richard Booker (.2); correspondence with Ernie Strahan regarding negotiating check (.1).	0.30	90.00
3/24/2010	RMF	Review documents on CD for production; telephone conference with E. Strahan re: same; draft letter to M. Wilson re: same; draft affidavit for R. Booker and email same to him (1.2).	1.20	324.00
3/24/2010	SWR	Correspondence and telephone conference with Bob Frey regarding letter to Marcus Wilson and provision of documents (.2); review and file monthly operating report for January 2010 (.2).	0.40	120.00
3/25/2010	SWR	Review and file monthly operating report for February 2010 (.2).	0.20	60.00
3/29/2010	SWR	Review and file February monthly operating report (.2); correspondence with Bob Frey regarding affidavit for motion for summary judgment (.1).	0.30	90.00
3/30/2010	RMF	Finally catch up with R. Booker via telephone re: his signing our affidavit; email to group re: same (.2).	0.20	54.00
3/30/2010	SWR	Correspondence with Bob Frey regarding affidavit from Richard Booker regarding statements of loss (.1); correspondence with Bob Frey regarding amended motion for partial summary judgment (.2).	0.30	90.00
3/31/2010	RMF	Telephone conference from L. Watt re: discovery matters; email to group re: same (.6).	0.60	162.00
3/31/2010	SWR	Correspondence with Bob Frey regarding designation of expert witnesses (.2); correspondence with Bob Frey regarding response to correspondence with from Lee Watt (.2).	0.40	120.00

Sub-total Fees: 31,914.00

Rate Summary

Paul M Ellis	0.70	hours at \$ 160.00 /hr	112.00
Robert M. Frey	37.40	hours at \$ 270.00 /hr	10,098.00
James B. Galloway	2.60	hours at \$ 280.00 /hr	728.00
Jack B. Nichols	3.60	hours at \$ 160.00 /hr	576.00
Stephen W. Rosenblatt	68.00	hours at \$ 300.00 /hr	20,400.00



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Subtotal:	112.30	31,914.00
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EXPENSES

<u>DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
11/5/2009	No Charge Image Reproduction 2 pages.	0.00
11/5/2009	No Charge Image Reproduction 2 pages.	0.00
11/9/2009	No Charge Image Reproduction 6 pages.	0.00
11/18/2009	No Charge Image Reproduction 6 pages.	0.00
11/19/2009	No Charge Image Reproduction 4 pages.	0.00
11/23/2009	No Charge Image Reproduction 2 pages.	0.00
11/24/2009	No Charge Image Reproduction 50 pages.	0.00
11/24/2009	Postage Expense.	91.52
11/24/2009	Image Reproduction 901 pages.	90.10
11/25/2009	No Charge Image Reproduction 50 pages.	0.00
11/25/2009	Image Reproduction 236 pages.	23.60
11/30/2009	Image Reproduction 237 pages.	23.70
11/30/2009	No Charge Image Reproduction 50 pages.	0.00
12/1/2009	Image Reproduction 151 pages.	15.10
12/1/2009	No Charge Image Reproduction 50 pages.	0.00
12/2/2009	Image Reproduction 100 pages.	10.00
12/2/2009	No Charge Image Reproduction 50 pages.	0.00
12/3/2009	Image Reproduction 12661 pages.	1,266.10
12/3/2009	Postage Expense.	772.80
12/3/2009	No Charge Image Reproduction 50 pages.	0.00
12/7/2009	No Charge Image Reproduction 1 pages.	0.00
12/16/2009	No Charge Image Reproduction 40 pages.	0.00
12/30/2009	No Charge Image Reproduction 7 pages.	0.00
1/6/2010	No Charge Image Reproduction 2 pages.	0.00
1/6/2010	No Charge Image Reproduction 2 pages.	0.00
1/7/2010	No Charge Image Reproduction 19 pages.	0.00
1/7/2010	No Charge Image Reproduction 19 pages.	0.00
1/11/2010	No Charge Image Reproduction 6 pages.	0.00
1/19/2010	No Charge Image Reproduction 20 pages.	0.00
1/22/2010	No Charge Image Reproduction 50 pages.	0.00
1/22/2010	Image Reproduction 220 pages.	22.00
1/25/2010	No Charge Image Reproduction 24 pages.	0.00
1/26/2010	Image Reproduction 78 pages.	7.80
1/26/2010	No Charge Image Reproduction 50 pages.	0.00
1/29/2010	No Charge Image Reproduction 6 pages.	0.00
2/2/2010	No Charge Image Reproduction 3 pages.	0.00



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2/3/2010	No Charge Image Reproduction 3 pages.	0.00
2/9/2010	No Charge Image Reproduction 18 pages.	0.00
3/9/2010	No Charge Image Reproduction 15 pages.	0.00
3/10/2010	No Charge Image Reproduction 46 pages.	0.00
3/11/2010	Image Reproduction 29 pages.	2.90
3/11/2010	No Charge Image Reproduction 50 pages.	0.00
3/12/2010	No Charge Image Reproduction 26 pages.	0.00
3/15/2010	No Charge Image Reproduction 50 pages.	0.00
3/15/2010	Image Reproduction 96 pages.	9.60
3/16/2010	No Charge Image Reproduction 33 pages.	0.00
3/17/2010	No Charge Image Reproduction 2 pages.	0.00
3/19/2010	Image Reproduction 67 pages.	6.70
3/19/2010	No Charge Image Reproduction 50 pages.	0.00
3/24/2010	Audio Visual Duplication or Conversion.	24.00
3/30/2010	No Charge Image Reproduction 3 pages.	0.00

Subtotal Expenses: 2,365.92

TOTAL CURRENT BILLING FOR THIS MATTER **\$34,279.92**